

# FISCAL NOTE

**Bill #:** HB0077

**Title:** Moratorium on certain prison facilities

**Primary Sponsor:** Joan Hurdle

**Status:** As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Expenditures:</b>	\$0	\$0
<b>Revenue:</b>	\$0	\$0
<b>Net Impact on General Fund Balance:</b>	\$0	\$0

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts

## Fiscal Analysis

### ASSUMPTIONS:

1. This house bill refers to the construction in the adult corrections system only; therefore, juvenile correctional facility construction is not included.
2. The Department of Corrections (DOC) is including the cost of alternative housing for offenders if this bill takes effect. The note does not include cost savings due to avoided construction projects.
3. This bill has long-range impact to the Montana State Prison (MSP) and Montana Women's Prison (MWP) populations.

(continued)

LONG-RANGE IMPACTS:

Given the construction timelines, DOC does not anticipate fiscal impacts until FY 2002. Current population trends indicate a need to construct the following projects in FY 2001 and FY 2002:

- MSP will need 160 high side/reception beds (open 4-2-2002) and 96 close custody beds (open 10-2-2002);
- MWP will need to add 124 beds (open 10-1-2001) and 11 beds (open FY 2003). Not all of these beds are maximum or close, some are medium, but from a construction standpoint it is more cost effective to build the complete project at one time, rather than staggering the construction process.

The moratorium would cause the DOC to delay construction projects until after 10-1-2001 and contract beds would be needed until the construction projects are completed. Estimated future impacts due to the moratorium would be as follows:

- MSP 160 high side/reception beds – If the DOC were to contract to house MSP offenders, there will be an anticipated cost savings of \$239,915 in FY 2002 (FY 2002 costs will be higher due to starting costs) and a loss of \$294,687 in FY 2003.
- MSP 96 close custody beds – If the DOC were to contract to house the MSP offenders, there would be anticipated cost savings of \$221,727 in FY 2002 (FY 2002 costs will be higher due to starting costs) and a loss of \$106,059 in FY 2003.
- MWP Building Construction – If the DOC were to contract to house the projected increase in MWP offenders, a loss of \$241,703 in FY 2002 and \$458,750 in FY 2003 is anticipated.

TECHNICAL NOTES:

1. The DOC does not enter into construction contracts. Department of Administration, Architect and Engineering contracts on the projects.
2. The bill is not clear if juvenile corrections construction projects are included in the moratorium.
3. The bill does not refer to medium security prison cells. They are not excluded from construction per Section 1 (2), but are not allowed per Section 1 (3) or (4).